

SENATE BILL 285

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By: **Chair, Education, Health, and Environmental Affairs Committee (By Request – Departmental – Labor, Licensing and Regulation)**

Introduced and read first time: January 31, 2011

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **State Real Estate Commission – Reinstatement of Licenses and Inactive**
3 **Status**

4 FOR the purpose of altering the time periods within which a licensee must reinstate a
5 license that has expired and reactivate a license that has been placed on
6 inactive status; and generally relating to the State Real Estate Commission.

7 BY repealing and reenacting, with amendments,
8 Article – Business Occupations and Professions
9 Section 17–314 and 17–316
10 Annotated Code of Maryland
11 (2010 Replacement Volume)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article – Business Occupations and Professions**

15 17–314.

16 (a) Except as provided in subsection (c) of this section, unless a real estate
17 broker license is renewed for a 2–year term as provided in this section, the license
18 expires on the first March 1 that comes:

19 (1) after the effective date of the license; and

20 (2) in an even–numbered year.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (b) Except as provided in subsection (c) of this section, unless an associate
2 real estate broker or real estate salesperson license is renewed for a 2-year term as
3 provided in this section, the license expires on the first April 30 that comes:

4 (1) after the effective date of the license; and

5 (2) in an even-numbered year.

6 (c) The Secretary may determine that licenses issued under this title shall
7 expire on a staggered basis.

8 (d) (1) At least 1 month before a license expires, the Commission shall
9 mail to the licensee, as provided in paragraph (2) of this subsection:

10 (i) a renewal application form; and

11 (ii) a notice that states:

12 1. the date on which the current license expires;

13 2. the date by which the Commission must receive the
14 renewal application for the renewal to be issued and mailed before the license expires;
15 and

16 3. the amount of the renewal fee.

17 (2) (i) If the licensee is a real estate broker, the Commission shall
18 mail the renewal application form and notice to the principal office of the broker.

19 (ii) If the licensee is an associate real estate broker or a real
20 estate salesperson, the Commission shall mail the renewal application form and notice
21 to the principal office of the real estate broker with whom the licensee is affiliated.

22 (e) Before a license expires, the licensee periodically may renew it for an
23 additional 2-year term, if the licensee:

24 (1) otherwise is entitled to be licensed;

25 (2) pays to the Commission a renewal fee set by the Commission;

26 (3) submits to the Commission a renewal application on the form that
27 the Commission provides;

28 (4) submits to the Commission the original certificate of completion
29 verifying that the licensee has complied with the continuing education requirements
30 under § 17-315 of this subtitle;

1 (5) notifies the Commission of the name of each real estate broker
2 with whom the licensee then is affiliated; and

3 (6) for the renewal of a real estate broker license:

4 (i) submits to the Commission, by a credit reporting agency
5 approved by the Commission, a credit report that contains the information required by
6 the Commission; or

7 (ii) pays to the Commission or the Commission's designee a
8 credit report fee in an amount not to exceed the cost charged by a credit reporting
9 agency approved by the Commission to obtain a credit report that contains the
10 information required by the Commission for renewal of a real estate broker license.

11 (f) The Commission shall renew the license of and issue a renewal certificate
12 and pocket card to each licensee who meets the requirements of this section.

13 (g) The Commission shall reinstate the license of a licensee under this title
14 whose license has expired if the licensee:

15 (1) applies to the Commission for reinstatement within [4] 3 years
16 after the license expires;

17 (2) meets the requirement of good character and reputation;

18 (3) complies with the applicable continuing education requirement for
19 the period during which the individual was not licensed; and

20 (4) pays to the Commission a reinstatement fee set by the
21 Commission.

22 17-316.

23 (a) (1) The Commission shall place the license of a real estate broker on
24 inactive status if the real estate broker:

25 (i) requests that the license of the broker be placed on inactive
26 status; and

27 (ii) surrenders the license certificate and pocket card of the
28 broker to the Commission.

29 (2) The Commission shall place the license of an associate real estate
30 broker or a real estate salesperson on inactive status if:

1 (i) the associate broker or salesperson no longer is affiliated
2 with the licensed real estate broker whose firm is named in the license certificate of
3 the associate broker or salesperson; or

4 (ii) the associate broker or salesperson:

5 1. requests that the license of the associate broker or
6 salesperson be placed on inactive status; and

7 2. surrenders the license certificate and pocket card of
8 the associate broker or salesperson to the Commission.

9 (b) (1) A licensee whose license is on inactive status may not provide real
10 estate brokerage services through that license.

11 (2) The placement of a license on inactive status does not affect the
12 power of the Commission to suspend or revoke the license or to take any other
13 disciplinary action against the licensee.

14 (c) Unless a license on inactive status is reactivated, the license expires [4] **3**
15 years after the date it is placed on inactive status.

16 (d) (1) Subject to paragraph (2) of this subsection, a licensee whose license
17 is on inactive status remains responsible for renewing the license as required under §
18 17-314 of this subtitle.

19 (2) Subject to the [4-year] **3-YEAR** limitation under subsection (c) of
20 this section, a licensee may renew a license while it is on inactive status without
21 complying with the continuing education requirements of § 17-315 of this subtitle.

22 (e) (1) The Commission shall reactivate the license of a real estate broker
23 that is on inactive status and reissue a license certificate and pocket card to the broker
24 if the broker:

25 (i) requests that the license be reactivated;

26 (ii) pays to the Commission a reissuance fee set by the
27 Commission; and

28 (iii) meets the continuing education requirements that would
29 have been required for renewal of a license under § 17-315 of this subtitle if the
30 license had not been on inactive status.

31 (2) The Commission shall reactivate the license of an associate real
32 estate broker or a real estate salesperson that is on inactive status and reissue a
33 license certificate and pocket card to the associate broker or salesperson if the
34 associate broker or salesperson:

- 1 (i) requests that the license be reactivated;
- 2 (ii) pays to the Commission a reissuance fee set by the
3 Commission;
- 4 (iii) meets the continuing education requirements that would
5 have been required for renewal of a license under § 17–315 of this subtitle if the
6 license had not been on inactive status; and
- 7 (iv) submits to the Commission adequate evidence that the
8 associate broker or salesperson has obtained, from a licensed real estate broker, a
9 commitment providing that the associate broker or salesperson shall become affiliated
10 with the broker as an associate real estate broker or a real estate salesperson on
11 reactivation of the license of the associate broker or salesperson.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 October 1, 2011.